

Appendix E. Federal Government Electronic Data Interchange Trading Partner Agreement

PURPOSE AND SCOPE

The purpose of this agreement is to provide general procedures and policies to be followed by the government and its trading partner when using electronic data interchange (EDI) for transmitting and receiving business documents, including procurement-related transactions. Collectively, the government and the trading partner are referred to as “the parties.” The government intends to maximize the use of EDI across functional areas (procurement, finance, transportation, etc.) involved in the acquisition of supplies or services. This agreement also will ensure the following:

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(transactions) referenced or exchanged under this agreement shall be deemed an acceptable practice in the ordinary course of doing business.
- •lectronic transactions shall be admissible as evidence on the same basis as customary paper documents. The parties intend to be bound by such electronic transactions.
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currently required on paper documents.

PERIODIC REVIEW

The government will provide any changes to the trading partner by EDI transaction. A trading partner shall acknowledge receipt of changes through a similar EDI transaction.

TERMS AND CONDITIONS

Both the government and the trading partner shall adhere strictly to published Accredited Standards Committee (ASC) X12 standards and to United Nations EDI for Administration, Commerce, and Transport (EDIFACT) standards (when informed by the government that government sites will begin to use

EDIFACT) for approved transaction sets delineated in this agreement and shall comply with government data conventions and implementation guidelines.

When the government intends to upgrade to a new version and release of ASC X12 or EDIFACT standards, the government and the trading partner will use the current version of a standard within the following time frame: the government will give the trading partner at least 30 calendar days notice of intent to upgrade to a new published standard. The trading partner must upgrade to the new standard within 30 calendar days after the government's published date of conversion or the actual date of conversion, whichever is later. The government will discontinue support of the previous version within 60 calendar days after the trading partner's conversion date or 60 calendar days after the published date of conversion, whichever is later.

As a matter of common practice, ASC X12 standards and Draft Standards for Trial Use (DSTUs), as well as EDIFACT messages, are seldom used in their entirety. For this reason, the government (in a manner similar to many private-sector industry groups) has written a series of implementation conventions that are subsets of the ASC X12 standards and DSTUs. These conventions describe the precise manner in which the government intends to use the ASC X12 standards and DSTUs with its trading partners.

The trading partner must use an EDI value-added network (VAN) provider (directly or indirectly via affiliated services) that is capable of receiving and sending ASC X12 transaction sets following the government implementation conventions for the ASC X12 standards. (Conventions will be provided for EDIFACT messages when the government begins using them.) The EDI VAN provider must be able to support the exchange of ASC X12 transactions using the current version and release (Version 3, Release 4, referred to as "3040") as well as two prior releases (3020 and 3030). The government will provide the trading partner's chosen EDI VAN provider with the government conventions and all updates for any ASC X12, EDIFACT, or other EDI messages the government uses. The trading partner's chosen EDI VAN providers must comply with the conventions and any changes to them within 90 calendar days of receipt from the government.

Currently, the government conventions are available for ASC X12 Version 3, Release 4, and in draft form for many transaction sets in ASC X12 Version 3, Release 2, and one transaction set in

Version 3, Release 3 (ASC X12 838). The government will issue new or updated conventions no more frequently than every 6 months, unless an emergency change to the conventions becomes required.

The government will not provide EDI training or implementation support. The trading partner is responsible for maintaining personnel trained in EDI application.

The parties will verify that the ASC X12 and EDIFACT transactions received are intact. Either party may reject (i.e., return as unprocessable) any transaction that is missing information, contains altered data, or does not comply with an appropriate standard. The parties may also reject a transaction if it is found to contain invalid data after translation by transmitting an ASC X12 824, Application Advice transaction set. Translation is the conversion of computer system-specific formats to ASC X12 or EDIFACT transaction sets and vice versa. Transactions are deemed received only after they are successfully translated. The government and the trading partner will retrieve and translate transactions within 1 working day of their arrival in the recipient's EDI mailbox. The parties must transmit an ASC X12 997, Functional Acknowledgment transaction set, by the end of the business day following arrival of the transmission in the recipient's EDI mailbox to notify the sender that an ASC X12 transaction has been accepted or rejected.

Actions transmitted via EDI are subject to all applicable statutes and regulations set forth in the Federal Acquisition Regulation (FAR) and agency supplements thereto. Applicable transaction sets and standards common to certain transmissions are as follows:

- •10—Invoice
- •20—Payment Order/Remittance Advice
- •24—Application Advice (to accept or reject translated data)
- •36—Award Summary
- •38—Trading Partner Profile
- •40—Request for Quotation (RFQ)
- •43—Response to Request for Quotation
- •50—Purchase Order or Deliver Order
- •55—Purchase Order Acknowledgment

- •64—Text Message
- • —Functional Acknowledgment (to accept or reject ASC x12 transmissions).

Electronic text mail may be exchanged as simple text mail or as part of the ASC X12 transaction set 864. Transaction set 864 must be used when submitting text in reference to a particular transaction, such as an RFQ.

Additional specifications and requirements for transmissions may be added.

It is the trading partner's responsibility to ensure that 838, Trading Partner Profile, information provided to the government is current and accurate. By submitting an 838, the trading partner must acknowledge that its representations and certifications are accurate and complete. After registration, the trading partner must submit to the government any change to registration information using an 838 transaction set when such information is available. The trading partner also agrees to maintain the accuracy and completeness of its representations and certifications. When sending an 838 cancelling or changing registration information, the trading partner must include its confidential trading partner identification number.

All payments will be made by electronic funds transfer (EFT). Trading partners must choose an automated clearinghouse (ACH) format (CCD + or CTX) to receive vendor express payments. Payment and payment information can flow together through the banking system. For trading partners that want payment and remittance information flowing together, it is the responsibility of the trading partners, not the government, to ensure that their banks can provide them with remittance information. Trading partners that need to receive remittance (e.g., 820) information separately from the payment must choose a service provider (i.e., a VAN) for such remittance information. In all cases, the burden of receiving remittance information is between the trading partner and the service provider, not the government.

At registration, the trading partner may elect to provide prompt payment discount terms (e.g., 2/10 net 30) for all payments made by EFT. This offer will be taken at the government's option as an alternative to payment discount terms offered in contracts and invoices. At any time, the trading partner

may change the prompt payment discount terms provided at registration through a change to their registration.

FORCE MAJEURE

Neither party shall be liable to the other for failure to conduct EDI in the event of war; accident; riot; fire; explosion; flood; epidemic; power outage; act of God; act of public enemy; act of government; labor dispute; error of, or nonperformance by, a third-party network; or any other cause beyond either party's control.

DAMAGES

Neither party shall be liable for any incidental, exemplary, or consequential damages resulting from any delay, omission, or error in electronic transmissions.

SECURITY

The parties will safeguard electronic data from tampering and unauthorized disclosure to ensure, at a minimum, the same level of protection required for their paper equivalents. This protection must extend beyond the transactions themselves to any files or data bases that contain information conveyed via EDI. Both parties shall also maintain the confidentiality of passwords and other codes required for accessing this information. Trading partners will not sell, release, or otherwise furnish such information to any third parties without the written approval of the government.

TERMINATION OF EDI OPERATIONS

Either party may terminate EDI operations, at no cost, provided at least 30 calendar days advance written notice is given. Termination will not affect transactions already accepted. Emergency temporary termination of computer connections may be made to protect data from illegal access or other incidental damage.

THIRD-PARTY NETWORK

When the trading partner chooses an EDI VAN provider to transmit, translate, or carry data between the parties, the trading

partner

- •s responsible for the cost of its third-party network;
- •
- capable of providing such system/data security as data integrity, error-free protocol, identification code and password protection, encryption, etc.; and,
- •
- day advance written notice to the government. The government will not incur any liability for costs associated with such a termination.

The trading partner may elect to perform as its own EDI VAN by obtaining a government VAN certification through the appropriate agency.

As with other third-party agreements, the government will not incur any liability for any incidental, exemplary, or consequential damages resulting from any delay, omission, or error in electronic transmissions resulting from the trading partner's use of or choice of or agreement with a third-party network to transmit or carry data between the trading partner and the government.

ORDER OF PRECEDENCE

The purpose of this agreement is to provide an understanding between the parties using EDI, including orders and contracts. In the event that this agreement conflicts with any order or contract between the parties, the terms of the order or contract shall take precedence.

Any inconsistency between this agreement and orders and contracts shall be resolved by giving a precedence in the following order: orders and contracts, amendments to this agreement, and this agreement.